

From: Susan White
To: Lynn Kunzler; Mary Ann Wright
Date: 7/17/2006 3:36:08 PM
Subject: Fwd: Re: Bown Stone Products, Flower Patch Quarry (m0390019)

FYI, Penny please print for file.

>>> John Blake 7/17/06 2:26 PM >>>

OK, please bond operator for \$10,000 reclamation. We need to monitor the disturbance at this site very closely since the surface is privately owned. Thanks, JB

>>> Susan White 7/17/2006 11:52 AM >>>

John, Attached is our best efforts at coming up with a detailed bond amount. Since this is a small mine permit details about the mining and reclamation plans are not required.
Susan

>>> John Blake 7/17/06 8:58 AM >>>

Susan,

Could you please send me a copy of the detailed bond estimate.

Thanks,

>>> Lynn Kunzler 7/14/2006 11:31 AM >>>

John - I sent you the following message yesterday - I guess you are out. As a follow-up to a voice message I just left you,
I will be gone for the next 2 weeks, Mr. Bown would like to get his approval soon. If you can respond to this email to Susan White, she will take care of this task while I am out.

Thanks. Lynn

This is a small mining operation south of Mayfield, Utah that will disturb about 5 acres. Bown Stone Products (Jerome Bown) is the operator and SITLA mineral lease holder. The surface owner is Mr. Wilden. The site is currently active with the ground already disturbed.

The Division is ready to approve this permit, however as per our MOU with SITLA, we need your concurrence on the surety amount. The reclamation cost has been calculated to be \$10,000 (with a 3 year escalation which is what we typically use for a small mine.)

If you concur with this amount, please respond to this EMAIL so that we can finalize our permit.

Please call if you have any questions or need further clarification

CC: Penny Berry

RECLAMATION SURETY ESTIMATE					
Mine Oper: Bown Stone Products		last revision		06/16/06	
Mine Name: Flower Patch Quarry		filename M000-000.WB2		page "estimate D8"	
DOGM file M0390019		County			
Prepared by Utah State Division of Oil, Gas & Mining					
Note: actual unit costs may vary according to site conditions					
last unit cost update				06/16/06	
-Amount of disturbed area which will receive reclamation treatments =				5 acres	
-Estimated total disturbed area for this mine =				5 acres	
<u>Activity</u>	<u>Quantity</u>	<u>Units</u>	<u>\$/unit</u>	<u>\$</u>	<u>Note</u>
Safety gates, signs, etc (mtls & installation)	0	Sum	250	0	(1)
Regrading waste dump slopes	4000 CY		0.70	2800	(8)
Ripping stockpile & compacted areas	0.75 acre		286	215	(9)
Ripping access roads- dozer	0.3 acre		286	86	(9)
Topsoil replacement - dozer	1000 CY		0.68	680	(12)
	0 CY		1.39	0	(13)
Composted manure (10 ton/acre)	5 acre		300	1500	(00)
Broadcast seeding	5 acre		150	750	(00)
General site cleanup & trash removal	5 acre		75	375	(00)
Equipment mobilization	1 equip		1500	1500	(00)
Reclamation supervision -10% of reclamation estimate				800	(15)
	Subtotal			8705	
10% Contingency				871	
	Subtotal			9576	
Escalate for 3 years at 1.6% per year				467	
	Total			10043	
Rounded surety amount in year 2011 \$				10000	
Average cost per disturber acre =		2009			